

March 15, 1996

McDonnell Douglas Realty Company
4060 Lakewood Boulevard, 6th Floor
Long Beach, CA 90808-1700

Attn: S. Mario Stavale

RE: Easement Review
McDonnell Douglas Realty Co.
Harbor Gateway
Los Angeles, CA

Gentlemen:

The following comments are relative to the numbered items of Exception to Coverage mentioned in a title report dated January 8, 1996, supplemented February 20 and March 4, 1996, prepared by Chicago Title Company, order No. 9600307.

4. AN EASEMENT IN FAVOR OF GENERAL PETROLEUM CORPORATION OF CALIFORNIA FOR OIL PIPE LINE PURPOSES RECORDED JUNE 9, 1927 AS INSTRUMENT NO. 479 IN BOOK 4802 PAGE 236, O.R.

Follows the Southerly property line. Reference plans show several pipelines within this easement, therefore, it will remain as an encumbrance.

5. AN EASEMENT IN FAVOR OF HUGHES MITCHELL PROCESSES, INCORPORATED FOR SEWAGE PURPOSES RECORDED JUNE 7, 1928 AS INSTRUMENT NO. 662 IN BOOK 15827 PAGE 169, O.R.

Runs along the Southerly property line. Gives the owners of the Hughes Mitchell site the right to connect to the sanitation district main line. This encumbrance will remain in place.

6. AN EASEMENT IN FAVOR OF DOMINGUEZ ESTATE COMPANY FOR WATER DISTRIBUTION SYSTEM OF DOMINGUEZ WATER CORPORATION RECORDED DECEMBER 123, 1941 AS INSTRUMENT NO. 757 IN BOOK 28922 PAGE 397, O.R.

Follows the Southerly property line. Reference plans show a 16" water line within this easement. This encumbrance will remain.

7. AN EASEMENT AS RESERVED BY RECONSTRUCTION FINANCE CORP. ACTING BY AND THROUGH WAR ASSETS ADMINISTRATION FOR THE PURPOSES OF USING, OPERATING, MAINTAINING, REPAIRING, RECONSTRUCTING AND REPLACING THEREON AND REMOVING THEREFROM TWO PRESENTLY EXISTING UNDERGROUND PIPELINES FOR THE TRANSMISSION OF BUTYLENSES, RECORDED 12/22/48 IN BOOK 29335 PAGE 142, O.R.

For the benefit of the "Bohn Aluminum Tract" (Westerly adjoiner), runs along 190th Street and a portion of Normandie Avenue. Closely follows the alignment of item 15 below (Standard Oil Co.). We have requested plans from Standard Oil Co. and are awaiting their arrival. Other reference plans indicate pipe lines within a portion of these easements, therefore, they will likely remain as an encumbrance. We will be able to make a more definite determination after we receive the Standard Oil plans.

8. AN EASEMENT AS RESERVED BY RECONSTRUCTION FINANCE CORP., ACTING BY AND THROUGH WAR ASSETS ADMINISTRATION FOR THE PURPOSE OF DISCHARGING INTO A DITCH, STORM WATERS WHICH NATURALLY DRAIN THEREIN, RECORDED 12/22/48 IN BOOK 29335 PAGE 142, O.R.

For the benefit of the "Bohn Aluminum Trust" (Westerly adjoiner), runs along 190th Street. The ditch has been converted to an underground system, a portion of which is within the easement. This easement will likely remain as an encumbrance for drainage together with item 22 below (City of Torrance).

10. A RIGHT-OF-WAY AND EASEMENT IN FAVOR OF DOW CHEMICAL COMPANY TO LAY, INSTALL, CONSTRUCT, MAINTAIN, OPERATE, REPAIR, RENEW AND REMOVE A SINGLE PIPELINE, RECORDED MARCH 25, 1952 AS INSTRUMENT NO. 3314 IN BOOK 38552 PAGE 294, O.R.

Follows the southerly property line. Reference plans show a 21" sanitary sewer line within this easement and a 4" Dow Chemical line a few feet North of the easement. This item will likely remain as an encumbrance, due to the proximity of the facilities to the easement.

11. AN UNRECORDED EASEMENT OR RIGHT-OF-WAY IN FAVOR OF PACIFIC TELEPHONE AND TELEGRAPH COMPANY FOR TELEPHONE LINE PURPOSES BY INSTRUMENT DATED NOVEMBER 15, 1949, AS DISCLOSED BY A DEED FROM UNITED STATES STEEL COMPANY, RECORDED DECEMBER 10, 1952 AS INSTRUMENT NO. 1720 IN BOOK 40472 PAGE 23, O.R.

This easement is noted as being unrecorded in the "subject to" portion of a Grant Deed (Bk. 40472/23) with a vague description (along Western Ave.). Reference plans show a

telephone conduit running along the Easterly parkway of Western Avenue. This encumbrance will likely remain.

12. AN EASEMENT IN FAVOR OF LOS ANGELES COUNTY SANITATION DISTRICTS FOR SEWER PIPE LINE PURPOSES RECORDED DECEMBER 16, 1957 AS INSTRUMENT NO. 3752 IN BOOK 56260 PAGE 290, O.R.

Runs along Normandie, contiguous to item 16 below. Reference plans show these easements contain 57" and 66" main lines and will remain as encumbrances.

13. AN EASEMENT IN FAVOR OF THE CITY OF LOS ANGELES FOR TRAFFIC SIGNAL AND CONTROL SYSTEM PURPOSES RECORDED MAY 13, 1958 AS INSTRUMENT NO. 3669 IN BOOK D-98 PAGE 972, O.R.
20. AN EASEMENT IN FAVOR OF THE CITY OF TORRANCE FOR TRAFFIC SIGNAL AND CONTROL SYSTEM PURPOSES RECORDED OCTOBER 21, 1957 IN BOOK 55899 PAGE 350, O.R.
30. AN EASEMENT IN FAVOR OF CITY OF TORRANCE FOR TRAFFIC CONTROL DEVICE PURPOSES RECORDED AUGUST 6, 1981 AS INSTRUMENT NO. 81-789314.

Located at the main entrances on 190th Street and Western Avenue. These items will become obsolete once the new entrances are in place. Since ownership is held by public agencies, these easements can be vacated as a function of the final map if the timing is appropriate, otherwise a quitclaim deed will be necessary.

15. AN EASEMENT IN FAVOR OF STANDARD OIL COMPANY OF CALIFORNIA FOR UNDERGROUND PIPE LINES RECORDED MARCH 21, 1960 AS INSTRUMENT NO. 3902 IN BOOK D-787 PAGE 769, O.R.

See comment for item 7 above.

16. AN EASEMENT IN FAVOR OF COUNTY SANITATION DISTRICT NO. 5 OF LOS ANGELES COUNTY FOR SEWER PIPE LINE PURPOSES RECORDED OCTOBER 5, 1962 AS INSTRUMENT NO. 4494 IN BOOK D-1780 PAGE 570, O.R.

See comment for item 12 above.

17. AN EASEMENT IN FAVOR OF THE COUNTY SANITATION DISTRICT NO. 5 FOR SEWER PURPOSES RECORDED OCTOBER 5, 1962 AS INSTRUMENT NO. 4495 IN BOOK D-1780 PAGE 576, O.R.

Follows the Southerly and a portion of Westerly property lines. Reference plans show a 21" main line within this easement. This item will remain as an encumbrance.

18. AN EASEMENT IN FAVOR OF HARVEY A. ALUMINUM (INCORPORATED) FOR RAILROAD PURPOSES RECORDED JUNE 9, 1964 AS INST. NO. 4500 IN BOOK D-2503 PAGE 102, O.R.

For the benefit of adjoining property to the West. Follows the existing rail system with the right to connect to the Santa Fe and Pacific Electric main tracks with maintenance agreements and other conditions including provisions for relocation and termination. This encumbrance will remain unless the termination options apply.

19. A COVENANT AND AGREEMENT IN FAVOR OF THE CITY OF LOS ANGELES RECORDED SEPTEMBER 12, 1973 AS INSTRUMENT NO. 3286 IN BOOK M-4465 PAGE 819, O.R.

Requires unobstructed side yards around the perimeter of the site due to an oversized building, which are also called for in items 23 and 26 below. These agreements can be terminated after the existing buildings are removed.

20. See item 13.

21. AN EASEMENT IN FAVOR OF HARVEY ALUMINUM (INCORPORATED) FOR SEWER PIPE LINE PURPOSES RECORDED OCTOBER 3, 1962 IN BOOK D-1777 PAGE 638, O.R.

Strips of land on the Westerly side of the property for sewer laterals into the Sanitation District main line for the benefit of the adjoining property. Reference drawings show 12" sewer pipes at these locations. This item will remain as an encumbrance.

22. AN EASEMENT IN FAVOR OF THE CITY OF TORRANCE FOR THE DISCHARGE OF STORM AND SURFACE DRAINAGE WATERS RECORDED OCTOBER 7, 1962 IN BOOK D-2209 PAGE 179, O.R.

Follows 190th Street. Reference plans show a storm drain pipe in a portion of the easement. This item will remain as an encumbrance together with item 8 above.

23. A COVENANT AND AGREEMENT IN FAVOR OF THE CITY OF LOS ANGELES RECORDED JUNE 26, 1970 IN BOOK M-3518 PAGE 781, O.R.

See comment for item 19 above.

24. AN EASEMENT IN FAVOR OF STANDARD OIL COMPANY OF CALIFORNIA FOR PIPELINE AND APPURTENANCES THEREOF FOR THE TRANSPORTATION OF OIL, PETROLEUM, GAS, GASOLINE, WATER OR OTHER SUBSTANCES AS RECORDED JUNE 12, 1970 AS INSTRUMENT NO. 3128.

Runs along a portion of 190th Street and Normandie. Joins items 7 and 15 on each end. See item 7 for additional comments.

25. AN IRREVOCABLE OFFER TO DEDICATE A PORTION OF SAID LAND IN FAVOR OF THE CITY OF LOS ANGELES FOR FUTURE STREET OR HIGHWAY PURPOSES RECORDED NOVEMBER 25, 1970 AS INSTRUMENT NO. 2065.

Widens 190th Street to a 50 foot half width and realigns the right-of-way line at Normandie Avenue. These items will remain as encumbrances.

26. A COVENANT AND AGREEMENT IN FAVOR OF THE CITY OF LOS ANGELES RECORDED SEPTEMBER 12, 1973 AS INSTRUMENT NO. 3286.

See comment for item 19 above.

27. AN EASEMENT IN FAVOR OF SOUTHERN CALIFORNIA EDISON COMPANY FOR GUY WIRE AND ANCHOR PURPOSES RECORDED MARCH 19, 1975 AS INSTRUMENT NO. 2734.
28. AN EASEMENT IN FAVOR OF SOUTHERN CALIFORNIA EDISON COMPANY FOR STUB POLE, GUY WIRE AND ANCHOR PURPOSES RECORDED MARCH 19, 1975 AS INSTRUMENT NO. 2735.

Strips of land along 190th Street. A portion of these are within the widened portion of the street. There are electrical facilities within a portion of the easement areas. These items will remain unless the facilities are relocated.

29. AN IRREVOCABLE OFFER TO DEDICATE A PORTION OF SAID LAND IN FAVOR OF THE CITY OF LOS ANGELES FOR PUBLIC STREETS RECORDED DECEMBER 12, 1975 AS INSTRUMENT NO. 2937.

See comment for item 25 above.

30. See item 13.

- 33.A AN EASEMENT AS RESERVED BY RECONSTRUCTION FINANCE CORP. ACTING BY AND THROUGH WAR ASSETS ADMINISTRATION FOR THE PURPOSE OF USING EXISTING RAILROADS RECORDED 12/22/48 AS INSTRUMENT NO. 1997 IN BOOK 29335 PAGE 142, O.R. (FOLLOWS EXISTING FACILITIES)
- 33.B AN EASEMENT AS RESERVED BY RECONSTRUCTION FINANCE CORP. ACTING BY AND THROUGH WAR ASSETS ADMINISTRATION FOR THE PURPOSE OF USING, OPERATING, MAINTAINING AND REPAIRING EXISTING SEWER SYSTEMS RECORDED 12/22/48 AS INSTRUMENT NO. 1997 IN BOOK 29335 PAGE 142, O.R. (FOLLOWS EXISTING FACILITIES)
- 33.C AN EASEMENT AS RESERVED BY RECONSTRUCTION FINANCE CORP. ACTING BY AND THROUGH WAR ASSETS ADMINISTRATION FOR THE

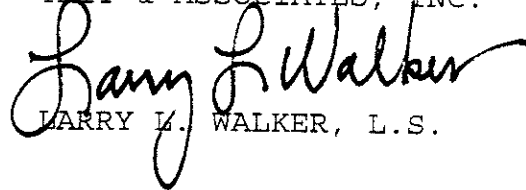
PURPOSE OF USING, OPERATING, MAINTAINING AND REPAIRING
EXISTING ELECTRIC POWER LINE SYSTEMS RECORDED 12/22/48
INSTRUMENT NO. 1997 IN BOOK 29335 PAGE 142, O.R. (FOLLOWS
EXISTING FACILITIES)

For the benefit of the "Bohn Aluminum Tract" (Westerly
adjoiner) gives the right to use the existing railroad,
sewer and electrical facilities on the site in order to
connect to outside services. This is the same document as
item 7 and 8 above. This item will likely remain as an
encumbrance unless other arrangements can be made with the
Westerly adjoiner.

Please advise if we can be of further assistance.

Very truly yours,

TAIT & ASSOCIATES, INC.


LARRY L. WALKER, L.S.

LLW:h
:LW581



Consulting Engineers

established 1964

Civil • Surveying • Environmental

April 1, 1996

Express Mail

RECEIVED
APR 02 1996

Chicago Title
16969 Von Karman, Suite 200
Irvine, CA 92714

Attn: George Bull
National Coordinator

RE: Order #9600307
Torrance C-6 Site
McDonnell Douglas

Gentlemen:

We have recently reviewed the referenced title report with the latest supplement dated as of March 4, 1996. You will find our written review attached, along with a blue line of our Tentative Map depicting the easements by item number.

It is our opinion that certain items can now be eliminated from your report and future policies. Highlighted items 7, 8, 18, 33A, 33B, and 33C may be eliminated through disuse.

We suggest you make a field inspection to determine the "abandonment" of use by the adjacent land owner to the west. We are available to accompany you and/or assist in supplying supplemental data.

We have a second issue of equal priority in determining our development rights on the subject property.

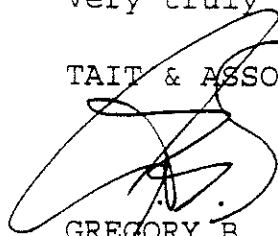
It is imperative that we obtain adjoiner deeds to the west, south and east, including a preliminary title report on the 50' strip of land adjacent to the east property line. The property is owned by "Pacific Electric" (Southern Pacific) Railroad. In particular we are concerned regarding our rights to cross that

strip in gaining access to the public right-of-way, Normandie Avenue.

Please give us a call if you need addition data, as we look forward to your findings by April 15, 1996.

Very truly yours,

TAIT & ASSOCIATES, INC.



GREGORY B. STEWART
Vice President/General Manager

GBS:h

:GS1044

encl.

cc: Chicago Title
Clark McKinnon
Chuck Hoffman
OR #9600307
McDonnell Douglas Realty
Mario Stavale
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